



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 20, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**DEPARTMENT OF PUBLIC WORKS
EATON YARD IMPROVEMENTS PROJECT
APPROVE REVISED PROJECT BUDGET AND
APPROPRIATION ADJUSTMENT
SPECS. 6545; C.P. NO. 88929
(FIFTH DISTRICT) (4 VOTES)**

SUBJECT

The following actions are to approve the revised project budget and an appropriation adjustment to fund the remaining scope of the Eaton Yard Improvements project.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve a revised project scope and budget of \$3,842,000 for the Eaton Yard Improvements project.
2. Approve an appropriation adjustment in the amount of \$1,925,000 to fund increased project cost with appropriation derived from cancelled commitments in the Fiscal Year 2007-08 Flood Control District budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the Department of Public Works (Public Works) to proceed with completion of construction of the second phase of the Eaton Yard Improvements project.

Background

Eaton Yard, located in Pasadena, is a sub-yard for Public Works' Flood Maintenance Division and serves Pasadena, Altadena, Sierra Madre, and portions of the San Gabriel Valley. The yard property was acquired and developed by the Flood Control District starting in the 1930s. Since that time, many of the buildings have become functionally obsolete and inadequate due to changes in equipment, staffing, environmental regulations, and building codes, as well as general deterioration over the years.

In November 2002, your Board approved a project budget of \$1,917,000 for the Eaton Yard Improvements project, which was funded by the Los Angeles County Flood Control District (LACFCD). The project consisted of demolishing seven existing warehouse and storage structures, constructing a new 7,800 square-foot warehouse, upgrading the facilities entire electrical system, and improving the facility to comply with National Pollutant Discharge Elimination System (NPDES) regulations. The NPDES improvements included adding a clarifier and vehicle wash-rack area, stormwater filtration device, and improving surface drainage.

In May 2004, your Board found the Eaton Yard Improvements project to be categorically exempt from provision of the California Environmental Quality Act (CEQA), adopted plans and specifications, and authorized advertising for construction bids.

On September 29, 2004, Public Works reported to your Board that the apparent lowest bid of \$1,639,000 exceeded the construction cost estimate by \$356,455. Due to budget constraints and other LACFCD funding priorities in 2004, Public Works opted not to award the construction contract for the project as originally programmed. To proceed with the project, Public Works divided components of the original project scope into two separate packages to be completed in two sequential phases, and continued with the highest priority scope using a Board-approved Job Order Contractor.

Phase I

The first phase package is now substantially completed at a cost of \$1.2 million. This includes additional safety upgrades to the entire electrical system that were added to the scope of the project in the first phase of construction. These items were:

- The removal of existing overhead power lines to improve safety.
- The consolidation of utility services into a new underground service to support current needs of operations at the facility.

- The installation of an emergency generator to provide emergency power to critical systems, such as computers, security, and shutdown valves for the dam and spillway.
- The installation of a dedicated power system to serve the entire Eaton Yard facility, as required by the City of Pasadena Department of Water and Power. The installation included a new transformer vault and associated systems, and commissioning the new emergency generator.

Phase II

The project's second phase upgrade package consists of improvements to comply with NPDES permit regulations. These improvements originally included the installation of a water clarifier, vehicle wash-rack area, stormwater filtration device, and surface drainage improvements. Additional improvements to comply with the NPDES permit not included in the original project scope are now required, including abandoning the existing septic tank and connecting the dam operator's house and office building to a new sewer line.

Due to the cost of items added to the project scope in Phase I and the higher than anticipated rate of escalation in construction costs since the project budget was estimated in 2002, the current cost estimate to complete the Phase II package as originally programmed significantly exceeds the approved project budget. To minimize the impact of the increase in project costs, Public Works is proposing the following reductions to the original project scope:

- Downsize the proposed new warehouse from its original nine-bay design to a five-bay design to offset the project cost increases by approximately \$825,000. The functions previously planned for the four bays to be eliminated from the new warehouse design will be accommodated in a portion of an existing warehouse that otherwise would have been demolished.
- Remodel the employee lunchroom in the existing administration building to incorporate the crew room that was originally planned for the new warehouse and further reduce costs by \$250,000.

Based on current cost estimates, including savings from the reductions in the project's scope, the net increase of \$1,925,000 is required to complete the revised scope of project.

To complete construction of this package, Public Works will use department staff and as-needed consultants to provide design and construction administration services. The warehouse replacement construction will be completed by a Board-approved Job Order Contractor.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we provide Organizational Effectiveness (Goal 3) and Community Services (Goal 6) as the proposed improvements will allow Public Works to provide services in a more efficient and cost-effective manner. This action is also consistent with the Countywide Strategic Plan of Fiscal Responsibility (Goal 4) as the project is an investment in public infrastructure.

FISCAL IMPACT/FINANCING

The recommended actions will have no impact to the County General Fund.

The total revised project cost, including plans and specifications, plan check, construction, and County services, is estimated at \$3,842,000, which exceeds the project budget approved by your Board on November 12, 2002 by \$1,925,000. The attached appropriation adjustment (Attachment B) will increase the Capital Project (C.P.) No. 88929 for Eaton Yard Improvements appropriation by \$1,925,000 funded by cancelled commitments in the Fiscal Year 2007-08 Flood Control District Budget.

Upon your Board's approval of the attached appropriation adjustment, sufficient appropriation will be transferred to the Fiscal Year 2007-08 Capital Projects/Refurbishments Budget under C.P. No. 88929 to fund the difference of the revised project budget. The Project Schedule and Project Budget Summary are included in Attachment A.

ENVIRONMENTAL DOCUMENTATION

On May 11, 2004, your Board approved this project as categorically exempt under the CEQA Guidelines.

The Honorable Board of Supervisors
May 20, 2008
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CONTRACTING PROCESS

The remaining scope of the project will be completed using a Public Works job order contract. Public Works engineers and as-needed consultants' contracts will be used for renovation, design modification, and engineering services required during construction.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The work to complete the improvements will be coordinated with the Flood Control maintenance staff to minimize the disruption of services within Eaton Yard, and the yard will remain in full operation during construction. The recommended actions will have no impact on current County services or projects.

CONCLUSION

Please return one adopted, stamped copy of this letter to the Chief Executive Office (Capital Projects Division), and one to Public Works (Project Management Division I).

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:DDE:DL
JSE:DJT:RB:zu

Attachments

c: Auditor-Controller
County Counsel
Department of Public Works
Office of Affirmative Action Compliance (Ozie Smith)

May 20, 2008

ATTACHMENT A

**DEPARTMENT OF PUBLIC WORKS:
EATON YARD IMPROVEMENTS PROJECT
REVISED PROJECT BUDGET AND
APPROVE APPROPRIATION ADJUSTMENT
SPECS. 6545; C.P. NO. 88929**

I. PROJECT SCHEDULE

Project Activity	Previously Scheduled Completion Date	Revised Completion Date
Award Design Contract	03/25/03	03/25/03*
Execute Design Contract	04/01/03	04/01/03*
Enhanced Schematic Design	05/29/03	05/29/03*
Construction Documents	08/14/03	12/01/08**
Jurisdictional Approvals	10/14/03	02/01/09**
Construction JOC Phase I Completion	06/28/07	06/28/07*
Construction JOC Phase II Completion	N/A	05/01/10
Final Acceptance	N/A	06/01/10

* Indicates completed activity

II. PROJECT BUDGET SUMMARY

Budget Category	Approved Budget	Impact of this Action	Revised Project Budget
Construction			
Construction	\$1,282,545	\$1,323,930	\$2,606,475
Change Order Allowance	<u>128,255</u>	<u>123,070</u>	<u>251,325</u>
Total Construction	\$1,410,800	\$1,447,000	\$2,857,800
Equipment	\$ 25,000	(\$ 25,000)	\$ 0
Plans and Specifications	\$ 136,900	\$ 75,000	\$ 211,900
Consultant Services	\$ 47,500	\$ 66,000	\$ 113,500
Miscellaneous Expenditures	\$ 8,500	\$ 22,000	\$ 30,500
Permits and Fees	\$ 19,500	\$ 16,000	\$ 35,500
County Services	\$ 268,800	\$ 324,000	\$ 592,800
Total Project	\$1,917,000	\$1,925,000	\$3,842,000

May 20, 2008

ATTACHMENT B

**DEPARTMENT OF PUBLIC WORKS:
EATON YARD IMPROVEMENTS PROJECT
REVISED PROJECT BUDGET AND
APPROVE APPROPRIATION ADJUSTMENT
SPECS. 6545; C.P. NO. 88929**

APPROPRIATION ADJUSTMENT

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF PUBLIC WORKS

DEPT'S.
NO. 690
April 29, 2008

AUDITOR-CONTROLLER.
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO
ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR
ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FISCAL YEAR 2007-08

4 - VOTE BUDGET ADJUSTMENT

SOURCES

USES

Department of Public Works
Flood Control District Fund
Appropriation for Contingency - Cancelled Commitments
B07 - PW - 3306 1,925,000
DECREASE APPROPRIATION FOR CONTINGENCIES

Department of Public Works
Flood Control District Fund - *Eaton Yard Improvements*
Fixed Assets - Building and Improvements
B07 - CP - 65032 - 88929 - 6014 1,925,000
INCREASE FIXED ASSETS - B & I APPROPRIATION

\$1,925,000

\$1,925,000

JUSTIFICATION

This adjustment is necessary to provide sufficient appropriation in Fixed Assets Building and Improvements to augment Eaton Yard Improvements Capital Project scope for its second and third phase as per attached Board Letter.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

32

MAY 20 2008

(Control No. 08-29)

CHIEF ADMINISTRATIVE OFFICER'S REPORT

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Marie Blooms tone
DEAN D. EFSTATHIOU, Acting Director

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR---

ACTION

APPROVED AS REQUESTED

AS REVISED

RECOMMENDATION

May 6, 2008

CHIEF ADMINISTRATIVE OFFICER

AUDITOR-CONTROLLER

BY

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

BY

DEPUTY COUNTY CLERK

NO. *231*

May 1 2008

32 of MAY 20 2008